



April 3, 2009

The Honorable Michael E. Fryzel
Chairman, National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

The Honorable Rodney E. Hood
Vice Chairman, National Credit Union Administration

The Honorable Gigi Hyland
Board Member, National Credit Union Administration

re: Comments on Advance Notice of Proposed Rulemaking for Part 704

Dear Chairman Fryzel, Vice Chairman Hood, and Board Member Hyland:

TECU Credit Union appreciates the opportunity to provide comment on NCUA's Advanced Notice of Proposed Rulemaking (ANPR) and Request for Comment regarding the role of the corporate credit union network and its structure.

TECU is a \$60 million credit union, chartered in 1938 and located in Wichita, Kansas. We serve approximately 7,400 members who live and work in south central Kansas. Originally chartered to serve the employees of Southwestern Bell, TECU (formerly Telephone Employees Credit Union) converted to a Community charter ten years ago.

Like most small credit unions, TECU is very traditional in our business practices and take great pride in differentiating ourselves by knowing our member, providing superior service to that of our large bank counterparts, and incorporating basic credit union tenets into our daily operations. Our members know the TECU difference and we're fortunate to have such a loyal following.

All our credit union members know is what they see – quality service, competitive rates, and a full array of financial services. They don't see all that goes on behind the scenes. Nor do they care. They just want the best from their membership at TECU.

When I hear that significant changes to the corporate credit union system are being considered, I fear that there will be a ripple effect that will adversely impact our ability to continue providing

the level of service to our members as we do today. With all due respect to those performing the analysis of the corporate credit union system, and to those analyzing the results, I'm not sure that "the member" is even being factored into the equation!

The cause and effect relationship to corporate restructuring goes well beyond governance. Let's make sure that our zeal for consolidation and reengineering doesn't cripple the very institutions that are quietly serving the average working citizen, who expects their credit union to effectively meet their financial needs.

Without the corporate credit union system, many credit unions would struggle to compete and survive. As with most of our peers, we do not have the expertise, nor can we afford the required staff to efficiently handle the many services that corporates provide. Again, all of those things behind the scenes that allow us to serve our members.

Kansas Corporate Credit Union (KCCU) provides invaluable services to TECU. In addition to fulfilling the traditional role of providing us with access to liquidity, our corporate has evolved to meet our growing demands. They provide us a full range of financial, investment, funds-transfer, settlement and informational services. KCCU has developed many services in a cooperative, low-cost/high value manner that saves my credit union real dollars.

Simply put, without KCCU, our credit union would not be able to provide the level of service to our member that we do today. I could go into all kinds of detail about KCCU's individual services and their related benefits, but once again, my member just doesn't care. All they know is, the current system works!

If significant changes are made to the corporate system, you jeopardize my ability to effectively manage our business and to retain our members. Although the temptation is to blame and punish someone, to make sure we don't repeat what has happened, I believe that not all risk can be eliminated by regulation. In short, let's not throw the baby out with the bathwater.

I ask that you please view each corporate as an individual institution with its own business plan, that has its own risk tolerance, and is accountable to its membership. Our corporate works!

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles Bullock", with a stylized flourish at the end.

Charles Bullock
President/CEO
TECU Credit Union
Wichita KS